

304.17A-527 Filing of provider agreements, risk-sharing arrangements, and subcontract agreements with executive director -- Contents -- Disclosure of financial information not required.

- (1) A managed care plan shall file with the executive director sample copies of any agreements it enters into with providers for the provision of health care services. The executive director shall promulgate administrative regulations prescribing the manner and form of the filings required. The agreements shall include the following:
 - (a) A hold harmless clause that states that the provider may not, under any circumstance, including:
 1. Nonpayment of moneys due the providers by the managed care plan,
 2. Insolvency of the managed care plan, or
 3. Breach of the agreement,bill, charge, collect a deposit, seek compensation, remuneration, or reimbursement from, or have any recourse against the subscriber, dependent of subscriber, enrollee, or any persons acting on their behalf, for services provided in accordance with the provider agreement. This provision shall not prohibit collection of deductible amounts, copayment amounts, coinsurance amounts, and amounts for noncovered services;
 - (b) A continuity of care clause that states that if an agreement between the provider and the managed care plan is terminated for any reason, other than a quality of care issue or fraud, the insurer shall continue to provide services and the plan shall continue to reimburse the provider in accordance with the agreement until the subscriber, dependent of the subscriber, or the enrollee is discharged from an inpatient facility, or the active course of treatment is completed, whichever time is greater, and in the case of a pregnant woman, services shall continue to be provided through the end of the post-partum period if the pregnant woman is in her fourth or later month of pregnancy at the time the agreement is terminated;
 - (c) A survivorship clause that states the hold harmless clause and continuity of care clause shall survive the termination of the agreement between the provider and the managed care plan;
 - (d) A clause stating that, upon request, the insurer shall provide the provider with specific fees for requested codes applicable to the compensation that the provider will receive under the contract with the insurer within thirty (30) days of the date of such request; and
 - (e) A clause requiring that if a provider enters into any subcontract agreement with another provider to provide their licensed health care services to the subscriber, dependent of the subscriber, or enrollee of a managed care plan where the subcontracted provider will bill the managed care plan or subscriber or enrollee directly for the subcontracted services, the subcontract agreement must meet all requirements of this subtitle and that all such subcontract

agreements shall be filed with the executive director in accordance with this subsection.

- (2) An insurer that offers a health benefit plan that enters into any risk-sharing arrangement or subcontract agreement shall file a copy of the arrangement with the executive director. The insurer shall also file the following information regarding the risk-sharing arrangement:
 - (a) The number of enrollees affected by the risk-sharing arrangement;
 - (b) The health care services to be provided to an enrollee under the risk-sharing arrangement;
 - (c) The nature of the financial risk to be shared between the insurer and entity or provider, including but not limited to the method of compensation;
 - (d) Any administrative functions delegated by the insurer to the entity or provider. The insurer shall describe a plan to ensure that the entity or provider will comply with KRS 304.17A-500 to 304.17A-590 in exercising any delegated administrative functions; and
 - (e) The insurer's oversight and compliance plan regarding the standards and method of review.
- (3) Nothing in this section shall be construed as requiring an insurer to submit the actual financial information agreed to between the insurer and the entity or provider. The executive director shall have access to a specific risk sharing arrangement with an entity or provider upon request to the insurer. Financial information obtained by the office shall be considered to be a trade secret and shall not be subject to KRS 61.872 to 61.884.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 157, sec. 3, effective July 13, 2004; and ch. 59, sec. 8, effective July 13, 2004. -- Amended 2002 Ky. Acts ch. 181, sec. 3, effective July 15, 2002. -- Created 2000 Ky. Acts ch. 500, sec. 1, effective July 14, 2000.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.

Legislative Research Commission Note (7/13/2004). This section was amended by 2004 Ky. Acts chs. 59 and 157, which do not appear to be in conflict and have been codified together.